



**Cambridge Wireless – Start-up Funding SIG**

## ***Start Me Up***

### **Accelerators vs. Incubators**

**Matthew Scherba**

[m.scherba@reply.eu](mailto:m.scherba@reply.eu)

[www.breedreply.com](http://www.breedreply.com)



# Differences?

## Accelerators

- Central workspace
- 3-4 month intense program
- Primarily early stage
- Office space / infrastructure
- Mentor/coaching - entrepreneurs/investors
- Smaller initial investment
- Angel funding assistance
- More companies

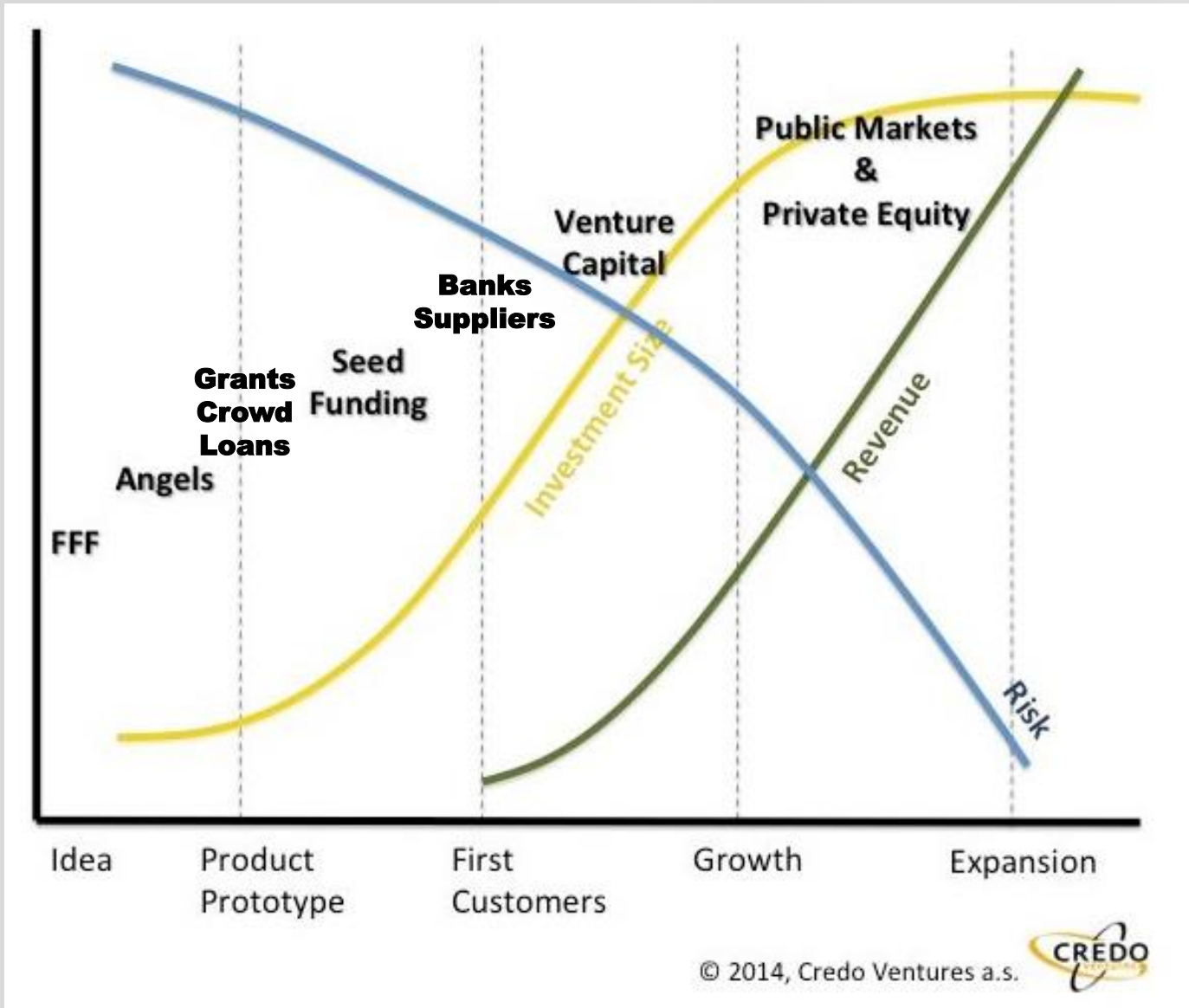
## Incubators

- Central workspace
- 6-12 mo+ programme / support
- Early stage+
- Office space / infrastructure
- Mentor/coaching – entrepreneurs/investors
- Larger initial equity investment (venture)
- Fund-raising assistance
- Fewer companies


# Differences?

	Accelerators	Incubators
Duration	Accelerators typically offer intensive support over a limited timeframe, with a fixed number of intakes per year	Incubators tend to offer a longer, less intensive period of support, with rolling admissions and no formal cut-off point.
Investment	Many accelerators offer pre-seed funding to startups in return for equity.	The majority of incubators do not invest directly but instead help startups attract investment through their networks.
Fees	The majority of accelerators invest for equity rather than charging a fee upfront; some do charge programme fees but increase their investment to cover the amount.	The majority of incubators charge membership fees or rent, staggering the amount according to a company's ability to pay.
Workspace	Accelerators put greater emphasis on training and mentorship, offering workspace for limited periods.	Long-term office or lab space with state-of-the-art facilities is usually a central part of the incubator package.

# Funding Lifecycle



# The Statistics

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- 400k new UK businesses in 2012\*
  - 20% fail in year 1
  - 50% fail by year 3

## Reasons

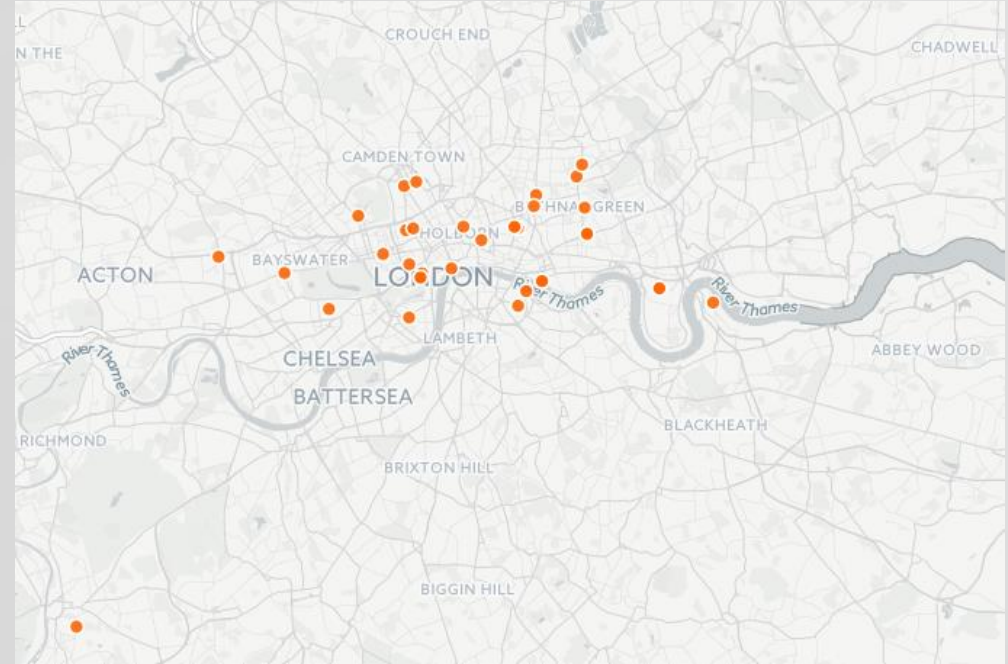
- Business Plan
- Management
- Business Visibility
- Competition
- Legislation

- 92% survival when involved with a programme\*\*

# Where Are They?

## Over 60 UK start-up programmes

- London (12 incubators, 24 accelerators)
- Birmingham
- Cambridge
- Oxford
- Edinburgh
- Glasgow
- Manchester / Liverpool



# Who Are They?

## Incubators

- Breed Reply
- Set Squared
- Imperial
- Mewe 360
- EcoMachines
- London City

## Accelerators

- Techstars
- Wayra (Telefonica)
- Microsoft Ventures
- HAX
- Y Combinator

## Corporate

- Virgin Media
- Barclays
- John Lewis
- Red Bull
- AstraZeneca

# Universities



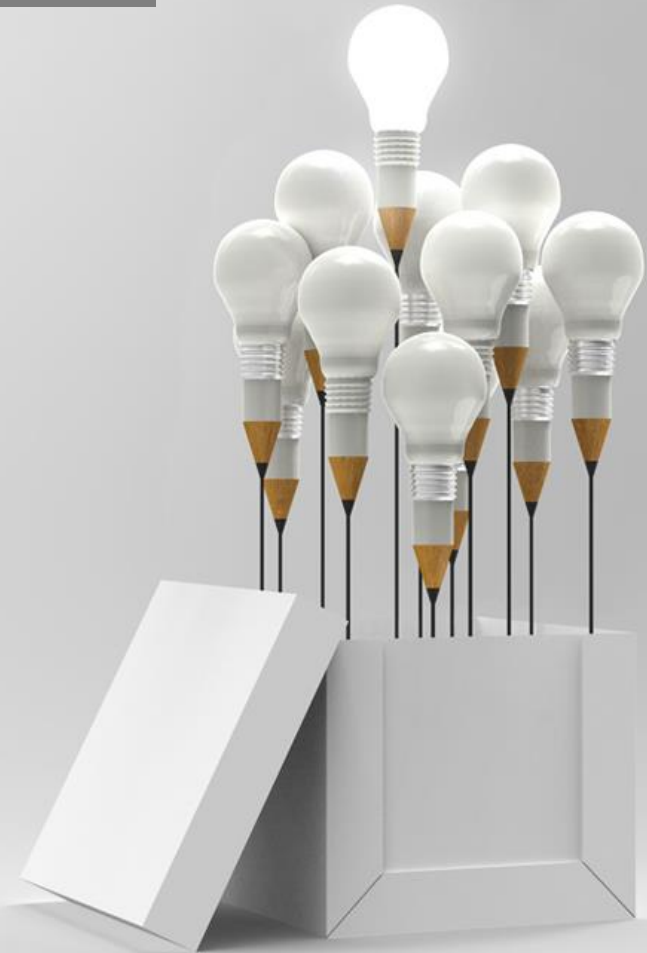
#	Incubator	University	Country
1	SETSquared	University of Bath University of Bristol University of Exeter University of Southampton University of Surrey	United Kingdom
2	PoliHub Startup District & Incubator	Polytechnic University of Milan	Italy
3	INITS Universitäres Gründerservice Wien	Vienna University of Technology University of Vienna	Austria
4	YES!Delft	Delft University of Technology	Netherlands
5	Uppsala Innovation Centre	Uppsala University Swedish University of Agricultural Sciences	Sweden
6	UtrechtInc	Utrecht University University Medical Center Utrecht University of Applied Sciences Utrecht	Netherlands
7	Business-Incubator of National Research University Higher School of Economics	National Research University, Higher School of Economics	Russia
8	ITU SEED (ITU CEKIRDEK)	Istanbul Technical University	Turkey
9	BLC3 Incubadora	University of Coimbra University of Minho School of Technology and Management of Oliveira do Hospital University of Beira Interior University Nova Lisbon Catholic University of Portugal	Portugal
10	Parque Tecnológico de la Salud de Granada (PTS Granada)	University of Granada	Spain

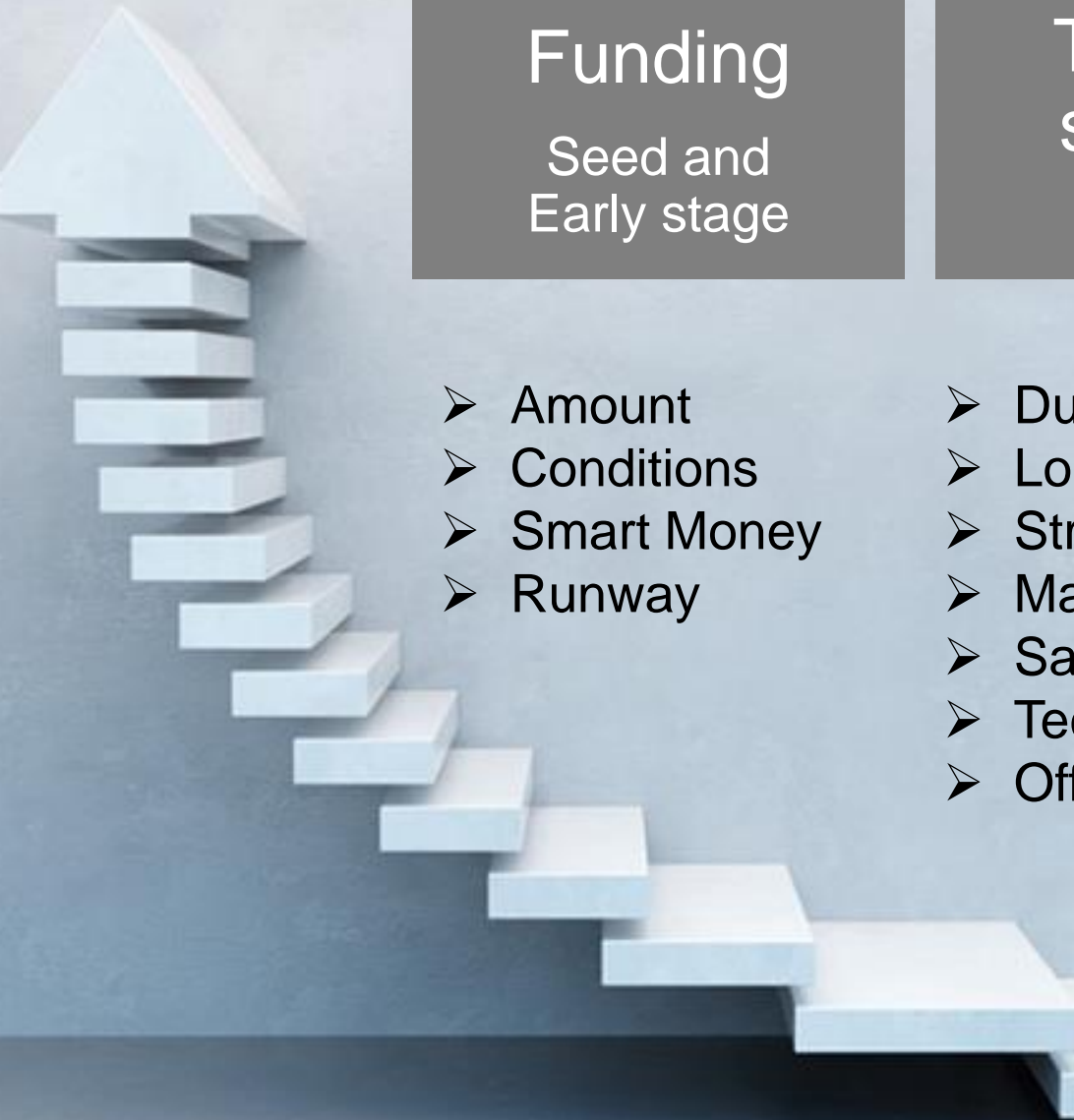


## What makes a good IOT start-up?

### It Depends.....

- Management team
- Vision
- Business model
- Addressable market
- IP?
- Competitive advantage
- Market Buzz





## Funding

Seed and  
Early stage

- Amount
- Conditions
- Smart Money
- Runway

## Tailored support

Duration

- Duration
- Location
- Strategy
- Management
- Sales & Marketing
- Technology
- Office space

## Go-to-market

Commitment

- Ecosystem
- Presence
- Vertical market sectors
- Next Round



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